

Personnel  
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# Chapter 4: Management— Employees and Other Personnel Issues

**Personnel management is the management of people, and people are the most important resource in your business. This chapter will attempt to assist you in finding, training, and retraining employees.**



## Job Descriptions

Good job descriptions will assist you in hiring, establishing wage scales, constructing performance appraisals, and obtaining temporary help services. The job description or analysis should provide a complete picture of the job that you want performed, including what the worker does; how the work is done; the job's relationship to other jobs that must be performed; and knowledge, skills, training, and education that the worker must have in order to do the job. Once you have completed the analysis, consider other key elements:

- Wage scale and comparison
- Working environment
- Terms of employment: hours of work, holidays, sick days
- Fringe benefits (i.e., medical and life insurance)
- Status
- Bonuses

## Recruiting and Training

There are many avenues open to you for recruiting employees. Your local newspapers will have a classifieds section specifically geared toward handling your needs. The sign-in-the-window technique can also benefit some employers. Your telephone book will supply you with a list of companies who will recruit for you. This method involves a fee, paid either by the employer or the employee.

The following state agencies and resources can assist a business in hiring or training employees:

### Virginia Employment Commission

One of the Virginia Employment Commission's (VEC) primary responsibilities is to find jobs for people and people for jobs. An employer can save money on personnel

and related costs by using the services of the VEC. There is no charge for these services. Employers' federal unemployment tax dollars finance these services.

A field office of the VEC will search its files of applications for those that match the job openings. If there are no available applicants on file to fit the job, the VEC can recruit suitable applicants through its statewide network of field offices.

The VEC will not flood you with unsuitable applicants. The employer may specify how many applicants he or she wishes to interview. Field offices make referrals, one at a time, of only those applicants who appear to be qualified. However, the final hiring decision remains with the employer. Employers may use the form at [www.VaEmploy.Com](http://www.VaEmploy.Com) to submit their job orders to the nearest VEC field office.

The VEC has an automated system to assist with job placement. The Automated Labor EXchange (ALEX) provides job information to job seekers by providing access to job listings in the private sector and in government. The ALEX website is [www.alex.vec.virginia.gov](http://www.alex.vec.virginia.gov).

The VEC website [www.VaEmploy.Com](http://www.VaEmploy.Com) posts jobs at the VEC as well as other job listings in government and private industry. See Virginia Employment Commission in the Appendix.

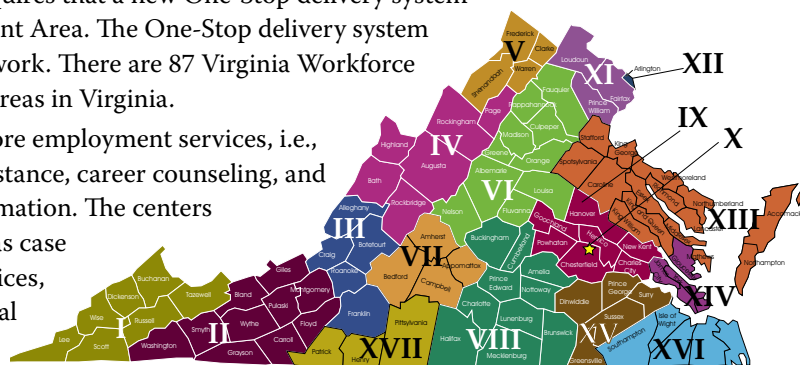
## Workforce Investment Act

The 1999 Session of the Virginia General Assembly passed legislation designating the VEC as the grant recipient and state administrative agency for the federal Workforce Investment Act (WIA). The WIA rewrites current federal statutes governing programs of job training, adult education and literacy, and vocational rehabilitation, replacing them with streamlined and more flexible components of workforce development systems. Effective July 1, 2000, the WIA also replaced the Job Training Partnership Act. The central office of the VEC provides administrative oversight for the WIA.

The WIA makes important changes in the structure for administering workforce development programs at the state and local levels. The WIA creates a workforce investment system where the key administrative structures are the state Workforce Investment Board, local Workforce Investment Boards and their youth councils, and the local One-Stop delivery systems.

The provisions in WIA for a One-Stop delivery system are likely to be the provisions of greatest interest to employers. In a major departure from the fragmented employment and training delivery systems of the past, the Act requires that a new One-Stop delivery system be established in each local Workforce Investment Area. The One-Stop delivery system in Virginia is called the Virginia Workforce Network. There are 87 Virginia Workforce Network Centers in 17 Workforce Investment Areas in Virginia.

The Virginia Workforce Network delivers core employment services, i.e., short-term interventions such as job search assistance, career counseling, and provision of labor market and job vacancy information. The centers provide access to more intensive services, such as case management and short-term prevocational services, and training funded under WIA and other federal programs. The legislation provides that the Virginia Workforce Network must provide services through at least one comprehensive center in each local Workforce Investment Area of the state, which may be supplemented by networks of satellite and information sites. See Virginia Employment Commission in the Appendix for local Workforce Investment Boards and Virginia Workforce Network Center contacts.



## Division of Apprenticeship Training

This division of the Virginia Department of Labor and Industry provides new and existing businesses with a proven, cost-effective system for training employees in over 300 occupations that require a wide range of skills and knowledge. There are approximately 2,000 Virginia employers in various sectors of our economy—manufacturing, construction, service, and technology—that currently use the registered apprenticeship program to meet their skills training needs. These employers are referred to as registered sponsors. Each year, roughly 1,700 registered apprentices complete training and receive Certificates of Completion, which are recognized throughout the country. There are currently more than 11,800 active registered apprentices throughout the Commonwealth.

Employers participate in the Virginia Apprenticeship Program by:

- Meeting with an apprenticeship field representative to develop a registered training program customized for their organization;
- Reviewing, with an apprenticeship-related instruction coordinator, the classroom instruction program required to meet trade standards and the needs of the organization;
- Identifying the employee(s) who will provide the on-the-job training and supervision; and
- Identifying the employee(s) who will be apprentices.

For more information on registered apprenticeship and to contact your local field representative, view the Department of Labor and Industry website at [www.doli.virginia.gov](http://www.doli.virginia.gov). See Department of Labor and Industry in the Appendix.

## Department of Business Assistance

The Workforce Services Division of the Virginia Department of Business Assistance (DBA) provides customized recruiting and training services to companies that are creating new jobs or experiencing technological change. As a business development incentive supporting economic development efforts throughout Virginia, the program reduces the human resource development costs of new and expanding companies throughout the Commonwealth. Workforce Services staff offer consulting services, organizational development support, electronic media services, and funding to eligible businesses. The DBA also offers programs for small business and for businesses in need of retraining incumbent workers. See Department of Business Assistance in the Appendix.

## Department of Rehabilitative Services

The Department of Rehabilitative Services (DRS) partners with Virginia's businesses and other workforce development professionals to help companies diversify their workforce and address today's business challenges. Through DRS's Business Services program, employers can benefit from the following services at no cost:

- Access to prescreened, qualified job applicants
- Workplace analysis and solutions for job accommodations

- Information about financial incentives
- Disability awareness and diversity training
- Workforce networks and business leadership networks

See Department of Rehabilitative Services in the Appendix.

## **Department for the Blind and Vision Impaired**

This department assists blind and vision-impaired Virginians to become self-sufficient and provides gainful employment opportunities, especially to those individuals who have multiple handicaps and have difficulty locating jobs in the competitive business world. Services offered are:

- Work evaluation and work adjustment
- Job training
- Employment and counseling

Citizens of the Commonwealth who are legally blind are eligible for services. See Department for the Blind and Vision Impaired or Virginia Industries for the Blind in the Appendix.

## **Virginia Office for Protection and Advocacy**

The Virginia Office for Protection and Advocacy (VOPA) helps ensure the rights of persons with disabilities in the Commonwealth are protected. VOPA protects the legal, human, and civil rights of persons with disabilities through advocacy, legal representation, and outreach/prevention activities designed to have a measurable impact on the lives of persons with disabilities. Designated as the “Protection and Advocacy System” for Virginia, VOPA’s funding for the protection and advocacy activities comes from five federal programs and one state program, specifically the Client Assistance Program, the Protection and Advocacy for Individuals with Mental Illness Act Program, the Protection and Advocacy of Individual Rights Act Program, the Developmental Disabilities Assistance and Bill of Rights Act Program, the Assistive Technology Program, and the Virginians With Disabilities Act Program. If an individual is eligible for the Department’s state-funded or one of its five federally-funded programs and has an issue that falls under the Department’s annual priorities for that program, he or she may be provided advocacy services and/or legal representation at no cost.

The mission of VOPA is to provide zealous and effective advocacy and legal representation to: protect and advance legal, human, and civil rights of persons with disabilities; combat and prevent abuse, neglect, and discrimination; and promote independence, choice, and self-determination by persons with disabilities. See Virginia Office for Protection and Advocacy in the Appendix.

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## Hiring

There are three steps to the hiring process: screening, interviewing, and making the offer. A brief overview of these phases follows.

### Screening

If you utilized the government agencies discussed earlier or a private agency, the candidates already have been screened before they are referred to you for an interview. If you used another method, such as newspaper advertising, you may have many applicants to review. Job-related criteria limit the applicants to a reasonable number for a personal interview.

### Interviewing

Prepare and plan for the interview to maximize your time.

- Attempt to establish a comfortable and friendly atmosphere for the applicant.
- Ask prepared questions and take notes.
- Assess any job-related personal characteristics, such as personal grooming or friendliness, that would affect the success of the applicant on the job.
- Determine the applicant's attitude about the position.
- Conform with equal employment opportunity practices.

Equal employment opportunity laws state that you may not discriminate against an applicant on the basis of the applicant's race, color, religion, sex, national origin, or age. Some of the laws dealing with equal employment opportunity are:

- Equal Pay Act of 1963
- Title VII, Civil Rights Act of 1964
- Age Discrimination and Employment Act of 1967
- The Equal Employment Opportunity Act of 1972
- Immigration Reform and Control Act of 1974
- Americans With Disabilities Act of 1990

The questions you ask—verbally, in writing, or on an employment form—must be relevant to the work for which the applicant is applying. If you ask the wrong questions, you may cause an applicant to believe that you are prejudiced, and the applicant may file a complaint against you. Even though you may own only a small business, you could be sued.

Asking questions on the following subjects may be considered discrimination:

- Age
- Birthplace
- Religion
- Marital status

- Extracurricular and nonprofessional memberships
- Arrests for crime (you may ask about convictions of crime)
- Children
- Physical size and weight
- Relatives
- Existence or nature of disabilities

## **Making the Offer**

After checking the references of your top candidates, you should be ready to make an offer. When you have decided on a candidate who meets your qualifications, make an offer, either in person or by telephone. It is appropriate, at this time, to negotiate the salary.

If you are hiring an applicant who will be selling your products, you will want to consider the above selection process with two additions: training and compensation. Comprehensive training of salespeople will enable them to maximize their sales ability. Community colleges may have courses that could be of benefit. Compensation is in the form of salary or commission, or a combination of both. A compensation plan must have objectives for the company and the sales force and be understood by everyone.

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## **Immigration Reform and Control Act**

This immigration law affects employees hired after November 6, 1986. The law states that employers hire only United States citizens and aliens lawfully authorized to work in the United States. It also requires all new employees to complete the designated employer's verification form (I-9). An employer must retain the form for three years or for one year past the end of employment of the individual, whichever is longer. See U.S. Department of Homeland Security, Citizenship and Immigration Services in the Appendix.

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## **Incubators**

An increasingly popular economic development tool that helps improve the success rate of new firms is the small-business incubator. These are buildings in which a number of new or growing businesses can locate and operate at a much lower overhead cost than in conventional space where market rates prevail. Incubators have been included in this section because many personnel functions are shared by the businesses. The facilities have access to centralized services such as clerical and administrative help, receiving and shipping facilities, conference rooms, computers and word processors, and business assistance. This type of facility is targeted toward small firms that may lack the managerial, technical, and financial ability to survive on their own and firms that can gain tangible benefits from the common support services. Small businesses in incubators can keep overhead costs manageable by paying for services on a shared, fee-for-service basis. Cash flow benefits, access to assistance sources, and interaction with other entrepreneurs in an incubator have shown evidence of greatly improving the chance of success for start-up companies.

## Virginia Small Business Incubator Program

The Department of Business Assistance administers the Virginia Small Business Incubator Program, which provides technical assistance to local and regional non-profit groups to establish and operate small business incubators. Small business incubators help entrepreneurs and start-up businesses by providing the expertise, networks, tools and facilities needed to make their ventures successful. See Department of Business Assistance in the Appendix.

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## Leasing Employees

An alternative to hiring employees is to contract employees from a leasing company. The leasing company is the employer, assuming all administrative and fiduciary responsibilities—meeting payroll, paying statutory payroll taxes, and providing all benefits. The business/lessee writes one check per pay period to the leasing firm. This check covers the gross payroll, taxes, cost of administrative services, benefit programs, and the leasing company mark-up. Leasing fees are generally contracted as a percentage of gross payroll and vary with the number of benefits and the level of wages.

Assuming that an employee-leasing arrangement makes financial sense, the business owner(s) should:

- Select a firm that provides services and benefits that meet the determined needs of the business plan.
- Confirm the financial stability of the leasing company.
- Look for well-defined terms and conditions and personnel management policies.
- Contact existing clients to confirm quality of service.
- Check to see that benefit programs are underwritten by major recognized carriers.

The benefits to small- and medium-sized businesses are: simplified operations; tax advantages to the owners, key personnel, and the business; reduction in administrative costs; and benefit packages for employees comparable to those of larger companies.

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## Crime Prevention

Your best resource for crime prevention is your local police department. They can inspect your business and recommend security measures, such as locks, alarm systems, and lighting. Private guards and police patrols can be hired to check your business at regular intervals or stay on your premises. Small business owners can share the cost of employing a guard.

Shoplifting is the most common small business crime. To deter shoplifters, you must educate your employees to be alert for suspicious activities. Check with the local police to determine a procedure that your employees should follow. Plan your store with deterrents to shoplifting in mind, using protective equipment and protective personnel when possible.

Bad checks are responsible for over \$2 billion worth of losses a year to business. If you have determined that you will accept checks in return for merchandise or services, you should require identification and review the check for accuracy. There are check verification services available for a monthly fee. Consult the yellow pages of your telephone directory for check protection equipment.

